

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE SERVICES

Before the Commissioner of the Office of Financial and Insurance Services

In the matter of:

Susan Agnes L'Huillier
System ID #0085860

Enforcement Case No. 06-4896

Respondent

Issued and entered
on 19 March, 2007
Frances K. Wallace
Chief Deputy Commissioner

CONSENT ORDER AND STIPULATION

A. FINDINGS OF FACT AND CONCLUSIONS OF LAW

It is alleged that the following statements are true and correct:

1. At all pertinent times, Susan Agnes L'Huillier ("Respondent"), System ID #0085860 was a licensed resident insurance producer authorized to transact the business of insurance in the State of Michigan with qualifications in casualty and property.
2. As a licensed resident producer, Respondent knew or had reason to know that Section 1239(1) of the Michigan Insurance Code ("Code") provides in part that the commissioner may place on probation, suspend, and revoke an insurance producer's license for any one of the following:
 - (e) Intentionally misrepresenting the terms of any actual or proposed insurance contract or application for insurance.
 - (g) Having admitted or been found to have committed any insurance unfair trade practice or fraud.
 - (h) Using fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere.
3. As a licensed resident producer, Respondent knew or had reason to know that Section 2005(a) of the Code provides that an unfair method of competition and an unfair or

deceptive act or practice in the business of insurance means the making, issuing, circulating, or causing to be made, issued, or circulated, an estimate, illustration, circular, statement, sales presentation, or comparison which by omission of a material fact or incorrect statement of a material fact if the producer misrepresents the terms, benefits, advantages, or conditions of an insurance policy.

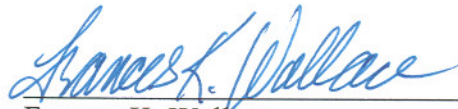
4. As a licensed resident producer, Respondent knew or had reason to know that Section 2005a(a) of the Code provides an unfair method of competition and an unfair or deceptive act or practice in the business of insurance includes knowingly making any misleading representation or incomplete or fraudulent comparison of any insurance policies, certificates, or contracts of insurers, health care corporations, or health maintenance organizations for the purpose of inducing, or tending to induce, any person to lapse, forfeit, surrender, terminate, retain, pledge, assign, borrow on, or convert any insurance policy, certificate, or contract or to take out a policy, certificate, or contract with another insurer, health care corporation, or health maintenance organization.
5. As a licensed resident producer, Respondent knew or had reason to know that Section 2026 of the Code provides in part that an unfair methods of competition and unfair or deceptive acts or practices in the business of insurance, other than isolated incidents, are a course of conduct indicating a persistent tendency to engage in that type of conduct, including misrepresenting pertinent facts or insurance policy provisions relating to coverages at issue.
6. In September 2005, the Respondent issued a Certificate of Insurance to a physician for medical malpractice coverage from MHA Insurance Company ("MHAIC").
7. The MHAIC declined the medical malpractice insurance for the physician.
8. Respondent failed to cancel the physician's policy.
9. Respondent failed to inform the physician that MHAIC cancelled the policy and MHAIC did not insure him.
10. Respondent failed to apply for coverage for the physician within the alternative market.
11. Thereafter, Respondent either manually or had MHAIC finance department create an invoice and a policy using an invalid policy number.
12. After MHAIC returned the physician's initial check because MHAIC could not match it to a policy, Respondent instructed the physician to mail the check to MHAIC's Chicago lockbox.
13. After MHAIC returned this payment, Respondent created an invoice and instructed the physician to mail the premium amount to the Respondent's attention rather than to MHAIC's Chicago lockbox. This check has not been cashed.

14. Respondent violated Section 1239(1)(e) of the Code by intentionally misrepresenting the terms and existence of the physician's insurance contract.
15. Respondent violated Section 1239(1)(g), 2005(a), 2005a(a), and 2026(1)(a) of the Code by misrepresenting the terms and condition, and pertinent facts concerning the physician's malpractice insurance coverage and knowingly making misleading representations concerning the insurance policy.
16. Respondent violated Section 1239(1)(h) of the Code by failing to notify the physician that MHAIC declined to issue him medical malpractice insurance coverage, by creating a fraudulent invoice for the declined coverage, and failing to apply for coverage in the alternative market.

B. ORDER

Based on the findings of fact and conclusions of law above and Respondent's stipulation, it is **ORDERED** that:

1. Respondent shall immediately cease and desist from operating in such a manner as to violate Sections 1239(1)(e), (g), and (h), 2005(a), 2005a(a), and 2026 of the Michigan Insurance Code.
2. Respondent's license and authority are hereby **REVOKED**.



Frances K. Wallace
Chief Deputy Commissioner